

MEMO

DATE: January 4, 2007
TO: Transportation and Communications Committee
FROM: Danny Wu, Program Manager for Goods Movement, (213) 236-1930, wu@scag.ca.gov
SUBJECT: High-Speed Regional Transport System Business Case

BACKGROUND:

Staff is working with the IBI Group to investigate whether the passenger High-Speed Regional Transport (HSRT) system business case can be enhanced with the addition of freight service. It is believed that a proposed HSRT system has the potential to serve dual purposes: the movement of passengers and the movement of freight within the region. If proven cost-effective, a HSRT system that could accommodate freight service could potentially move cargo faster, cleaner, and more reliably than conventional truck and rail modes, thus creating value for users and generating revenue potential. A HSRT freight system could also provide the stimulus for a clustering of goods movement related activities including warehousing, assembly, distribution centers, and related services (including office, retail for goods movement industry employees, etc.). This clustering of activities provides significant creation of value in real property located in proximity of goods movement centers.

The preliminary investigation suggests that such a dual-operating HSRT system appears feasible, and that there are several emerging technologies in the research and development phase. Mr. David Chow, project manager with the IBI Group, will provide a brief presentation of the work effort to-date. A more comprehensive feasibility study of alternative freight transport technologies will be conducted by SCAG in the months ahead, as well as a separate study to be conducted by the Ports of Los Angeles and Long Beach.


FISCAL IMPACT:

Work associated with this task is included in the current year overall work program for MagLev System Design (06-244.SCGC1).

Reviewed by:



Division Manager

Reviewed by:



Department Director

Reviewed by:


Chief Financial Officer




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Transportation and Communication Committee

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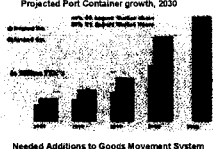


Goods Movement Challenge

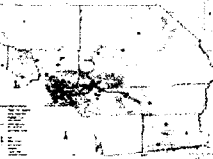
Significant growth in Region


- Ports of Long Beach and Los Angeles handle 43% of containers entering U.S.
- Growing from 13M+ TEU today to over 42M TEU by 2030
- Existing system cannot handle the projected volume
- Environmental impacts need to be addressed

Projected Port Container growth, 2030





Needed Additions to Goods Movement System







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Goods Movement Challenge



The Opportunity

- Upgrade existing methods and systems required
- Still a need for additional options and innovative approaches
- A component of the SCAG High Speed Regional Transport System
- Need to evaluate how will it work and the financial performance
- SCAG HSRT Business Plan



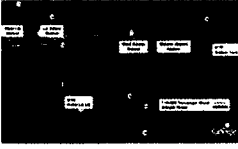
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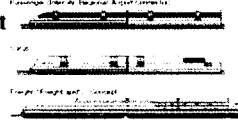
SCAG HSRT System

Building on the IOS


- Additional freight component of the system
- Utilizing excess capacity available between passenger service
- Shared use allows for shared cost for the infrastructure
- Significant revenue potential in capturing the unmet demand



Examples of Shared Passenger/ Freight Connections:





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SCAG HSRT System

Promising Potential


- High speed and reliable transport
- Environmental and energy efficient technology
- Potential to move between 9.2M to 13.7 M TEU per year
- Increase in capacity with reduced shared cost
- Cost/TEU is comparable and there is a market

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